A PROJECT REPORT ON

"Marketing Strategies Used by Nike ,Adidas, Puma "

Submitted By

Harsh Vyas

CAPSTONE PROJECT

Submitted To

Department of **Marketing Management**

Nagindas Khandwala College of Commerce, Arts and Management Studies, Mumbai-400064

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Title

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Submitted To

DEPARTMENT OF BUSINESS MANAGEMENT

B.B.A. (Honours) in Marketing Management

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Mumbai- 400064

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B.B.A. (Honours) in Marketing Management

Certificate

This is to certify that Harsh Vyas has successfully completed the Capstone Project as a part of the B.B.A. (Honours) in Marketing Management Semester VI titled **"Marketing Strategies Used by Nike, Adidas, Puma"** during the Academic Year 2023-24.

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DECLARATION

I declare that this written submission represents my own original ideas, conveyed in my own words. In cases where the ideas or words of others have been incorporated, I have diligently edited and referenced the original sources. I confirm that I have followed all the guidelines of academic honesty and integrity, and I have not misrepresented manipulated or falsified any information, data, ideas, or sources in my submissions. I understand that breaking the rules above may result in disciplinary action by the institute. It may also lead to legal action from the source whose content has been used without proper editing or without obtaining the necessary permissions.



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ACKNOWLEDGEMENT

I would like to express my gratitude and indebtedness to the management and staffs of **Mumbai University** for providing me this wonderful opportunity to gain practical industrial exposure by including this summer internship as part of my curriculum of the three year BBA program.

Nevertheless, I would also like to express my sincere gratitude to **Ms. Kinjal Sanghavi** for allowing me to complete my summer internship in the company. It was her guidance and support that made this project possible.

I would also like to thank Faculty Guides of Mumbai university, for their valuable suggestion in making the project report and for their continuous support and help, which guided me through this report.

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CHAPTER 1- INTRODUCTION

1.1 HISTORY OF SPORTS WEAR

At the beginning of the twenty-first century, "sportswear" describes a broad category of fashion-oriented comfortable attire based loosely on clothing developed for participation in sports. "Active sportswear" is the term used to cover the clothing worn specifically for sport and exercise activities. Now generally accepted as the most American of all categories of dress, sportswear has become, from the second half of the twentieth century, the clothing of the world. It consists of separate pieces that may be "mixed and matched," a merchandising term meaning that articles of clothing are designed to be coordinated in different combinations: trousers or shorts or skirts with shirts (either woven or knit, with or without collars, long-sleeved or short) and sweaters (either pullovers or cardigans) or jackets of a variety of sorts.

Pre-Twentieth Century Sportswear

The origins of sportswear, so intimately tied to the rise of sports, are complex, arising from pervasive social change and cultural developments in the mid-nineteenth century. Previously, sport had been the domain of the landed well-to-do, revolving mostly around horses, shooting, and the hunt. Clothing generally was modified fashion wear, but distinctions between the clothing of the country and of town had appeared as early as the eighteenth century. Men, especially young men, wore the new collared, sometimes double-breasted, skirt less but tailed frock for shooting or country wear, itself probably adapted from the military uniform of the early eighteenth century. This coat was quickly adopted into fashionable dress for young gentlemen. Fox or stag hunting called for skirted coats and high boots to protect the legs, and for trim tailoring that would not hamper the rider maneuvering rough terrain and the new fences that were an outcome of the British Enclosure Acts (1760-1840). These acts, by transferring common grazing lands to private holdings, resulted in fences never needed before, thereby adding new challenges to cross-country riding and revolutionizing the sport of hunting.

Riding Attire

The long, straight, narrow, severely tailored riding coats that emerged toward the end of eighteenth-century England traveled to France as the redingote, to become a high-fashion garment for both men and women for the next several decades, through the 1820s. Eventually, red coats became the acceptable color for the hunt, possibly for the obvious reason of making the riders more easily visible. As early as the eighteenth-century, women also adopted severely tailored riding coats based directly on men's styles, creating a standard that still characterizes women's sportswear in the early twenty-first century. Americans, both men and women, followed the English lead in sporting activity. These upper-class choices set the tone and provided the models for the future, but it took democratization to affect change overall. That came with the industrial revolution and the rise of leisure activity among even the poorer classes.

Urban Sports and Games

With the movement of the population away from its agrarian past into the cities, reformers realized that the working classes had no real outlets other than drinking for what little leisure time they had. In an era of revivalist fervor that preached temperance, the concerned middle classes sought other, safer avenues of activity for the poorer classes. Both active and spectator sport and games helped fill that gap. European immigrants to the United States, particularly those from Germany and the Scandinavian countries, brought a variety of outdoor sports and games for men with them, and an accompanying culture of health and exercise that they nurtured in their private clubs. Clothing for these activities was more relaxed than the street clothes of the time, and consisted often of a shirt and trouser combination. Native-born Americans also had had a long history of team games, early versions of various ball games that continued to be played once the population moved to the cities. However, it was baseball, with its singular attire, that most influenced men's clothing for sport. Baseball had emerged as a popular team game with new rules after the first meeting of the elite New York Knickerbocker Baseball Club with the New York Nines at Elysian Fields in Hoboken, New Jersey, on 19 June 1846. By the 1850s, many other more democratic clubs of workers played the game as well, quickly turning it into America's favorite sport. In 1868, the Cincinnati Redstockings were the first major team to adopt a uniform of bloused shirt, baggy knee breeches, and sturdy knee socks. The unusual pants, so different from the long stove-pipe trousers of the

time, were named after Washington Irving's seventeenth-century character, Dietrich Knickerbocker-not coincidentally the same surname the first baseball team in America had adopted as its own. These became the accepted trouser for active sports in general, and were dubbed "knickerbockers" after the original team. Knickerbocker's success may be seen in their appearance for the next century for shooting, bicycling, hiking, and golf. By the 1920s, they were even worn by women.

Active sports uniforms and clothing grew out of necessity. Players needed protection from bodily harm in contact sports like football and hockey; they also needed to let the body breathe and enable it to move as easily and freely as possible while performing the sport. The entire history of active sports clothing is tied to higher education, the increasingly rapid developments in textile technology, and the Olympics. For example, football, a new and favorite game in men's colleges in the late nineteenth century, adopted a padded leather Knickerbocker, pairing it with another innovation, the knitted wool jersey pullover. Lightweight wool jersey, an English invention of the 1880s, was perfect for men's sporting pullovers (which soon were referred to as "jerseys"). Perhaps the most enduring of these has been the rugby shirt-striped, collared, and ubiquitous. It had its beginnings as the uniform for the "new" nineteenth-century game begun at the venerable British school, Rugby, but proved so enduring that it is still worn in the early 2000s, by men, women and children who never thought of playing the game. Jersey was equally adopted into women's dress for sport as well. The new lawn tennis of the 1870s was ripe for a flexible fabric that allowed greater movement, and jersey filled that need by the 1880s. In that same decade, students in the new women's colleges left behind their corsets, petticoats, and bustles for simpler gathered dirndl-style skirts and jersey tops taken directly from men's styles in order to participate in sports like crew and baseball. At the same time, men's schools added a heavier outer layer of wool knit to keep the body warm, and since athletic activity brought on healthy sweating, "sweater" clearly described its role. When a high roll collar was added, the "turtleneck," still a staple of sportswear, was born. The college environment was important because it allowed a looser, less rigid, more casual kind of clothing on campuses frequently isolated from the formality of fashionable urban attire. Soon after the introduction of these pieces of specific clothing for sports in collegiate settings, women borrowed them, wearing them for their own sports and leisurewear from the end of the nineteenth century and on.

Olympic Clothing

The modern Olympic Games introduced new generations of active sportswear. From the first meet in 1896, men appeared in very brief clothing to compete in track and field and swimming events: singlets, or tank tops, with above-the-knee shorts, and knit-sometimes fine wool and sometimes silk-skin-baring one-piece suits for swim competition. More surprising than these were the bikini-like liners that men wore under the sheer silk suits, without the tops, as typical practice garb. These items became the clothing for sport for men as the century progressed; even the briefs under the suits found their way into swimwear for men and women some half-century or so after their introduction.

Twentieth Century

Fabrics have played an important role in the development of active sportswear. As with sheer knits at the turn of the twentieth century, so too did stretch fabrics form a second skin shaving seconds off time in competition. From the introduction of Lastex in the 1930s to the spandex of the twenty-first century, clothing for active sports has reflected the attention to sleek bodies, to speed. Speedo, the Australian swimwear company, first introduced its one-piece stretchy suit in the 1950s. From that time on, swimwear became sleeker, tighter but more comfortable because of the manufactured stretch fibers. The concept proved irresistible for men and women in all active sports: new stretch textiles produced ski pants in the 1930s fashioned with stirrups to anchor the sleek lines, bicycle shorts in the 1970s, all-in-one cat suits for skiing, sledding, sailing, speed skating, even running in the 1980s and 1990s. With the biannual Olympic publicity, the new active suits, shorts, and tops found their way into active sportswear and onto athletic bodies everywhere. Even the nonathletic wanted the look, pressing fashion-wear manufacturers to adopt the tight-fitting yet comfortable clothing that technology had made possible.

New Definition of Sportswear



Championship golfer Anne Nason, 1913

Sportswear, as opposed to active sportswear, fulfills an entirely different role. Though their roots are the same, sportswear concerns the fashionable aspect of clothing for sport rather than the athletic. Individual items such as jerseys, sweaters, and turtlenecks came directly out of active sports. Certain jackets also became linked with sports and therefore sportswear. The most notable of these, still a staple of modern dress, is the blazer. This standard straight-cut lounge jacket of the late nineteenth century was adapted both by colleges and early sports clubs, the new tennis, golf, or country clubs that emerged in the 1870s and 1880s, who used their own club colors for these jackets, often fashioning them in stripes called "blazes." Hence, blazers. Striped blazers, popular through the 1920s, have had revivals since, most notably in the late 1950s and 1960s. Generally, however, they gave way to single-colored blazers in the 1930s. The best recognized of these is the bright green Masters jacket of golf.

For women's leisure wear (and it must be noted that women never wore this casual, "new" clothing in any other setting), women adopted men's clothing, as they had earlier. This had been noticeable in the 1890s with the clothes of the New Woman, with her blazer, shirt-waist, and easy skirt, or even, on occasion (though not as routinely as is now believed) with divided skirts for such activities

as bicycling. By the turn of the twentieth century, young women wore jerseys, turtleneck sweaters, and cardigans, borrowed directly from their brothers. In addition, many chose to leave off their corsets when participating in active activities, opting instead for lighter, unboned "sporting waists." This last move was perhaps the most forward-thinking of all in affecting change in women's dress. Magazines of the day picked up the new "daring" fashions, with illustrations, to spread them across the country. Early movies, even those prior to the 1920s, also helped distribute and popularize the new styles, showing beautiful young women dressed for all sorts of activities: swimming, golf, tennis and, as time went on, simply for leisure. So the foundations had been laid in the nineteenth century, but the phenomenon of sportswear for women really began in the 1920s with the post-World War I emergence of mass production in women's wear.

The new loose, unfitted styles of the 1920s allowed a much freer approach to women's dress for play and leisure. Although women still clung to skirts, the dresses for such sports as golf and tennis were so admired (to say nothing of the sports figures who wore them, like Suzanne Lenglen, a French tennis champion, and later, Babe Didrickson) that they became day dresses for women whose lifestyles and pocketbooks allowed variety in their clothing. These golf and tennis dresses, with their pleated skirts and tailored tops, sometimes two-piece and sometimes one, comfortable and washable, became the prototypes for the most American of all clothing, the shirtwaist dress. So welcome were tennis dresses that in the 2000s they still prevail over shorts for competition tennis and, as early as the 1940s, offered a new, short skirt length that eventually became accepted into fashion wear.

Pants for Women

Trousers for women were another matter. The struggle for their acceptance was a long one, dating from the early nineteenth century when, as baggy "Turkish trowsers," they were introduced for water cures and exercise, then later adopted as dress reform. It was sport, however, that provided the reason for their acceptance, as long as they were kept within strictly sex-segregated environments like the emerging women's colleges or all-women gyms. The heavy serge bifurcated bloomers worn for the new game of basketball were the first acceptable pants for women, and worn with turtlenecked sweaters in the early part of the twentieth century, became an outfit for magazine pinups. The bloomers slimmed down by the 1920s, becoming the popular knickers of

that decade, and the introduction of beach pajamas for leisurewear at the same time led to further acceptance, even if not worn in town settings.



Fannie Harley, originator of the "Bifurcated Harley" trousers for women, c. 1915

The movies helped to sell the image of women in trousers, especially in the 1930s with actresses like Katharine Hepburn and Marlene Dietrich. Even then, women did not wear pants for fashion wear. World War II changed their image, when trousers became the norm for factory workers, but still, pants were not acceptable for the average woman except when she was on vacation or in the country. Indeed, trousers were not accepted for professional working women until the end of the 1970s or early 1980s. But since that time, trousers have become the norm for women everywhere, professionals and vacationers alike, proving once again that women borrow their most comfortable clothing from men's wear.

Ready to Wear and Sportswear

Mass manufacturing made the simple items of ready-to-wear sportswear inexpensive and practical for everyone. The notion of designing separates to go together in coordinated fashion, a key concept of sportswear, began in New York in the mid-1920s when Berthe Holley introduced a line of separates that could be interchanged to suggest a larger wardrobe. The concept of easy separates

for leisurewear in resort or casual surroundings, if not for more formal wear, grew in the 1930s and finally took hold for more general wear in the 1940s, during World War II. American designers such as Claire McCardell, Clare Potter, and Bonnie Cashin turned to designing ready-made American sportswear, using inexpensive fabrics and following the easy, comfortable styles that made it so popular in the United States. Companies such as B. H. Wragge in the 1940s marketed well-designed separates, particularly to the college-aged crowd, at inexpensive prices that they could afford. After the war, with manufacturing back to prewar norms and the introduction of the more formal New Look from France, the distinction between American and Parisian clothing became even more evident. American designers more and more turned to the casual expressions in fashion that American women loved. By midcentury, the great designers who captured the essence of American style, Bill Blass and Geoffrey Beene, had begun to be recognized, and were turning their attention to ready-to-wear sportswear. Eventually they even brought sportswear ideas into eveningwear, directly translating the shirts, sweaters, and skirts women were so attached to into elegance for evening. Finally, toward the later twentieth century, Ralph Lauren took what had become the staples of sportswear-jackets, sweaters, shirts, pants, and skirts-and gave them a distinctly upper-class edge by reviving the elegance of the club-based sports clothing of the 1930s and 1940s. These later twentieth-century designers captured the American Look and made it their own, turning the higher end of sportswear back to its origins by appealing to the upper classes. But by then, the style of dress known as sportswear was open to all, in all classes and levels of society, through mass manufacturing and mass marketing. A truly American style, sportswear has spread throughout the world, representing a first in clothing history.

1.2 GLOBAL SPORTS APPAREL MARKET

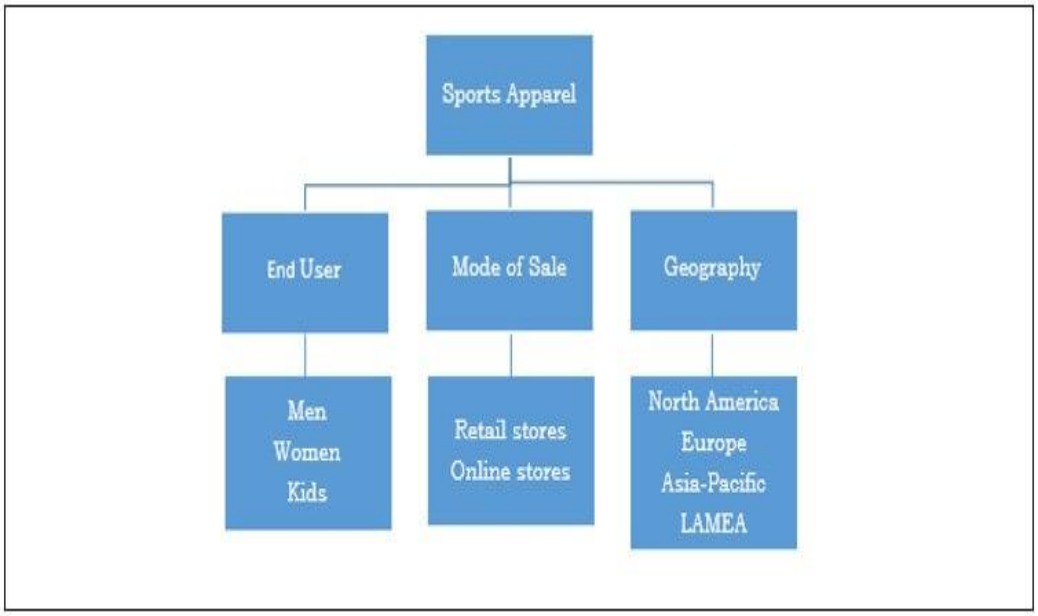
Global Sports apparel market is expected to garner $184.6 billion by 2020, registering a CAGR of 4.3% during the forecast period 2015 - 2020. Sports apparel market are mainly worn during workout sessions or while playing sports. Sports apparel are designed to provide comfort and agility during physical movements.

The global sports apparel market has witnessed significant growth owing to growing health awareness and increasing fitness activities such as aerobics, swimming, running, and yoga among consumers. The market is further supplemented by the increasing participation of women in sports

and fitness activities. Based on geography, North America was the largest revenue-generating region in global sports apparel market in 2014. However, Asia-Pacific would be the leading revenue-generating region by 2020, owing to increasing disposable income and improving living standards in the emerging countries such as China and India. However, availability of low quality and counterfeit products has restricted the growth of the global sports apparel market.

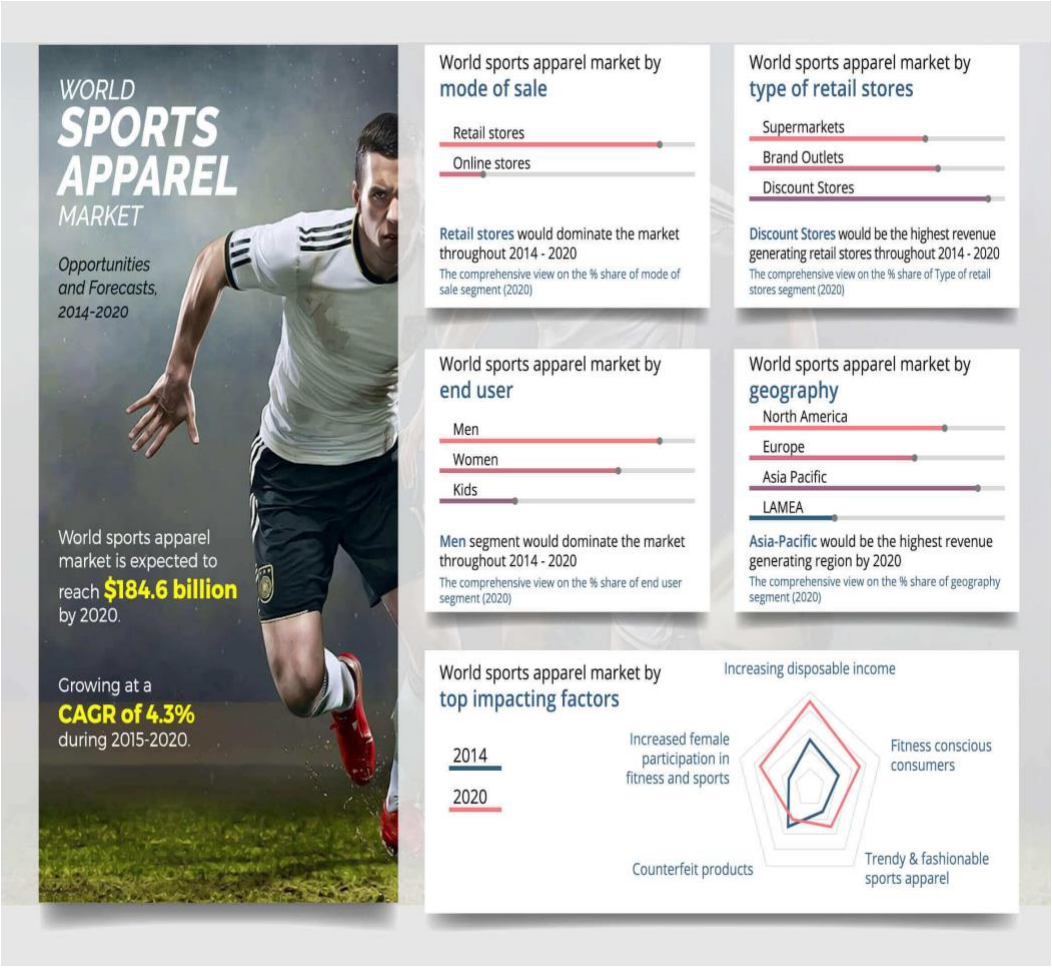
Numerous key players are operating in the global sports apparel market which include Nike, Inc., Ralph Lauren Corporation, Umbro, Ltd., Fila, Inc., Lululemon Athletica Incorporation, New Balance Athletic Shoe, Inc. and Columbia Sportswear Company. They have adopted various growth strategies to capture a larger market share and increase their customer base. Product launches, partnerships and acquisitions are the prime growth strategies adopted by these companies to sustain the intense competition in the global sports apparel market. In July 2014, Adidas entered into partnership with Manchester United, one of the most successful and popular football clubs in the global, to promote its products globally. This has helped the company to strengthen its market position in various geographies.

Global Sports Apparel Market Segmentation



Segment Review:

The report analyses the sports apparel market based on end users, mode-of-sale and geography. Based on mode-of-sale, the market is segmented into retail stores and online stores. Retail stores dominated the market in the market by mode-of-sale. This is the most common channel of sale for market players. Favorable demographics and rising inclination towards trendy sports apparel have boosted the growth of the market. Numerous companies are focusing on setting up retail and company owned stores to increase their product sale which led to the growth of this segment. North America stands as the market leader in the sports apparel retail stores market however, Asia-Pacific is expected to grow at the highest growth rate. The future growth is expected to come from the online mode of sale which has witnessed a dynamic growth in the past few years owing to increased popularity and penetration of internet and availability of a wide range of products at a discounted price.



TOP FACTORS IMPACTING GLOBAL SPORTS APPAREL MARKET

- **Increasing disposable income**

  Increasing disposable income has encouraged people to buy quality and trendy sports apparel. Rising propensity of consumers to buy comfortable clothing, which helps in proper workout session, has fostered the growth of sports apparel market. High spending capabilities of consumers has increased the sale of premium products. Over the period, disposable income has witnessed growth in major economies of the global. According to the National Bureau of Statistics of China, the overall annual disposable income in India increased from $1,366.2 billion in 2010 to $1,587.6 billion in 2013. However, the annual per capita disposable income of urban households in China increased from $2,818.6 in 2010 to $4,692.9 in 2014. Furthermore, the per capita annual disposable personal income in the USA increased from $37,807.0 in 2011 to $41,099.0 in 2014. Thus, increasing disposable income is one of the major growth factors of global sports apparel market.

- **Fitness conscious consumers**

  Consumers have become more health conscious due to the work-related stress and lifestyle disorders. Working individuals opt for fitness regimes such as swimming, gym and running to remain healthy, and active in daily life. Presently, majority of the individuals are investing their time in performing various fitness activities to keep themselves fit and healthy. This has created the demand for fitness and sports apparel among all age groups, thereby, fostering the market growth.

- **Trendy & fashionable sports apparel**

  The growing demand of trendy and fashionable sports apparel has led the companies to launch new products to cater to the demand of the customers. The increasing demand of trendy fitness apparel by the middle-aged individuals segment has increased in the past few years. Newer technologies such as Polotech Smartshirt by Ralph Lauren, helps in

monitoring a person's heart rate, breathing depth, stress level and calories consumed. Such products help in increasing the popularity of a brand and improve its customer base.

- **Counterfeit products**

  The sports apparel market offers lucrative potential of growth; however, the presence of fake and low-priced products restrict the growth of the market. Sports and fitness apparel by renowned brands have a high price range, which are not affordable by the lower income groups. Hence, the local suppliers design the same style products at comparatively lower costs. Such products are of low quality and reduces the brand image of forerunners in the market; thereby, hampering the sale of original product of the company. Availability of counterfeit or low quality apparel restricts the sale of branded apparel; thus, threatening the growth of the sports apparel market.

- **Increased women participation in fitness and sports**

  In the past few years, there has been a considerable increase in the number of female participating in sports and fitness events. Women professionals have become conscious about their health, so they opt for fitness programs such as Yoga, Zumba and visit fitness centers. Nowadays, women prefer wearing sports apparel in their daily wear, which results in the growth of the sports apparel market. Numerous companies launch products in vibrant colors, which offer enhanced comfort, thereby increasing their popularity among women.

KEY BENEFITS

- The report includes extensive analysis of the factors driving as well as restraining the global sports apparel market
- The market projections for the period 2014-2020 have been included along with factors affecting the same
- The report also provides quantitative as well as qualitative market trends to help the stakeholders in understanding the situations prevailing in the market
- An in-depth analysis of key segments of the market demonstrates stakeholders with different types of green solvents consumed across different industries on the globe
- SWOT analysis enables to study the internal environment of the leading companies for strategy formulation

- Competitive intelligence highlights the business practices followed by the leading market players across various geographies

1.3 TOP SPORTSWEAR BRANDS CURRENTLY

10. Converse

Converse is one the leading sportswear brands with a strong product offering.

Found in 1908, Converse is a global brand focusing on sportswear, apparel, shoes, equipment and much more. The company has an employee strength of 2500+ and since 2003 it is a part of global sports giant Nike, which has helped the brand grow.

The company's "star" logo is one of the most easily identifiable icons which shows the wide popularity of this sports brand. Converse has a strong presence in sports and especially in basketball NBA and skateboarding. The company has made it a point to reach out to sports enthusiasts and has managed to do so by sponsoring several sports events and teams. Apart from sports, Converse has also roped in fashion stars to promote is casual fashion apparel and accessories. With the increasing reach of online shopping, the brand has a global presence in more than 100 markets worldwide, making it one of the largest sports brands in the world.

Revenue ($ Bn): 2.04

9. North Face



A subsidiary of VF Corporation, North Face is one of the top sports brand and equipment company in the world

North Face is a world leader in outdoor accessories and equipment like tents, backpacks along with trekking shoes, apparel, jackets etc. Found in 1968 as a brand for mountaineering equipment, the company is currently headquartered in California in US.

An expert in snow equipment, North Face has a target audience of those who are interested in snow boarding, skiing, mountaineering etc. The company has more than 50 retail outlets in USA alone followed by 20 in UK and a few in Canada as well. Apart from this, the company sells equipment and goods across the world through online portals as well as multi brand retail outlets. North Face is now a fully owned subsidiary of VF Corporation, which has other popular brands like Lee, Wrangler etc. as some of the popular brands under its umbrella.

Revenue ($ Bn): 2.4

8. ASICS

Japanese sports shoes and equipment brand Asics is one of the biggest sports companies in the world.

Asics is headquartered in Japan and having more than 7000 employees. Asics was found in the year 1949 and has since then gone on to become a leading global sports brand.

Asics has gone on to become a leading sportswear brand not only by acquisition of other players but also by aggressive marketing like sponsorship of the cricket team of Australia. The brand offers its entire portfolio of offerings through its website. The product range covers shoes, T-shirts, tracks, equipment for men, women and kids. The company also focuses on customer service and has got provisions for product replacement and return in case a customer is not fully satisfied. Based out of Japan, the company made its presence in US in the year 1977 and since then created a substantial market share. Sponsorships, outdoor advertising, TV commercials etc. all have helped establish the brand as a top sports company.

Revenue ($ Bn): 3.61

7. Skechers

Based out of California USA, Skechers has become one of the largest sports brand companies in the world.

Skechers is one the largest manufacturers of sports footwear and the company boasts of more than 11000 employees. The company was found in the year 1992 and has over the years established itself as a global sportswear brand especially with the help of global celebrities.

The global footprint of the company can be judged by the fact that Skechers products are sold in more than 170 countries. All over the world, the company has more than 2500 stores. With the growing popularity of online shopping, Skechers website provides its users the entire range of product offerings. Skechers products are also widely available through multi brand outlets and websites. The company has also focused on CSR activities, most notably being helping foundation for children with special needs and youth. Skechers has been endorsed by several athletes like basketball players, elite runners, TV hosts etc.

Revenue ($ Bn): 4.16

6. New Balance

Over the years, New Balance has grown on to become one of the leading sports brands in the world.

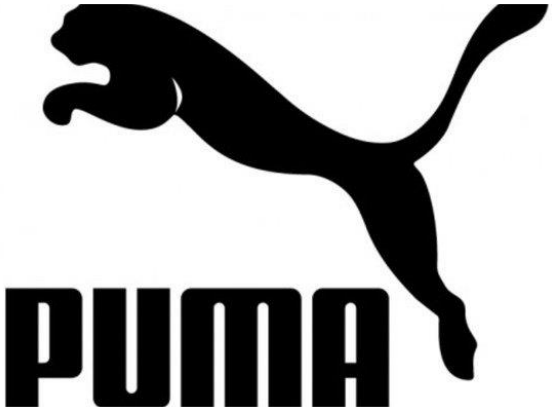
Found in the year in 1906 in US, New Balance has over 5000 employees globally with the company's headquarters in Boston. New Balance has a wide range of products like sportswear, shows, cricket equipment, apparel etc.

New Balance brand has a strong affinity to the skateboarding sport and has specially designed shoes and accessories for skateboarders. New Balance has grown in leaps and bounces over the last few years and one major reason is the sponsorship it offers for sports teams and events.

Olympic committees of a few countries and several European football clubs have been sponsored by the brand. The company has also been extensively involved with sports like cricket, basketball, cycling etc. Some of the leading international tennis players are also brand ambassadors of New Balance.

Revenue ($ Bn): 4.5

5. Puma



Puma is one of the most popular, easily recognizable and top sports brand in the world.

The Puma Company, based out of Germany, was formed in the year 1948 after the brand got split with Adidas. Since then the company which has over 11000 employees is a worldwide leader in footwear, apparel, sports equipment, accessories etc.

The company became a publicly listed organization in 1986. The global presence of the company can be seen from the fact that Puma products are sold in more than 120 countries across the world. Puma's wide product portfolio offers goods for running, gym, football kits, golf, basketball etc. Leading international football stars and some of the top international football teams and clubs are sponsored by Puma. Recently, the company has also associated itself with cricket and Formula 1, with an aim of becoming one of the top sports brands in the world. Puma's distribution network has been accolated not of for high efficiency but also for protecting the environment.

Revenue ($ Bn): 4.8

4. Under Armour

Based out of Baltimore USA, Under Armour is one of the leading sports apparel and accessories companies in the world.

Formed only in 1996, Under Armour has grown on to become one of the leading sports companies with an employee strength of more than 13000 worldwide. The company has a wide range of products offering Clothing, footwear, sporting equipment and other accessories.

Apart from USA, Under Armour has offices in London, Amsterdam, Mexico, New York and many other locations. The company has grown rapidly over the last few years by some strong acquisitions as well. Apart from acquiring sportswear companies, the company has also taken oven fitness app products which has added to the diversification of the brand. Under Armour offers t-shirts, caps, shoes, jackets etc. which are widely used in sports like soccer, basketball etc. Under Armour has effectively used man media channels to ensure effective marketing and branding of its products. The company has several celebrity ambassadors endorsing the brand and its products.

Revenue ($ Bn): 5

3. DKS

DKS Sporting Goods is one of the largest sports companies in the world based out of USA.

DKS has more than 600 stores spread all over America, which is managed and run by an employee staff in excess of 25000. Some of the important subsidiaries of DKS are Affinity Sports, Field & Stream, Golf Galaxy, Oshman's Sporting Goods, and True Runner etc.

Over the years, many sports teams and events have been sponsored by DKS, which have ensured worldwide visibility and brand recall of the brand. The company has been associated with several sporting events like marathons, NHL, golf tournaments, basketball, football etc. The company was formed in the year 1948 and regular acquisitions have strengthened its place as a leading sports brands in the world. With the increasing penetration of ecommerce, the company offers its entire product line online through the company website as well as other multi brand websites. For ensuring high customer satisfaction, the company has several processes like return policies, refund etc. DKS has continually invested in advertising through TV commercials, online ads, print media etc.

Revenue ($ Bn): 8.5

2. Adidas

Germany based global sports giant Adidas was formed in the year 1949 as the Adidas brand.

Adidas has a strong product offering and offers products like Footwear, sportswear, equipment and deodorants etc., which are served to customers worldwide. The company has a strong employee base of more than 50,000+ employees which are spread in its offices all over the world.

Some of big brands like Reebok, Runtastic and Matrix are also subsidiaries of Adidas group. Adidas being one of the leading sport brands in the world, has sponsored many sporting events and teams all across the world and across various sports as well. Adidas was the official sponsor

of the football world cup apart from sponsoring various international and club teams like Manchester United, Real Madrid and Milan etc. The company has also sponsored cricket player & teams, baseball, basketball, golf, running etc. Some of the top tennis players also endorse Adidas brand and its goods/accessories. Effective television commercials using sports celebrities has been the backbone of marketing the Adidas brand. Some sports personalities associated with Adidas are Any Murray, Sachin Tendulkar and Lionel Messi etc.

Revenue ($ Bn): 46.2

1. Nike



Nike is the world's leading sports good manufacturer, distributor and marketer in the world.

With more than 70,000 employees all over the world, Nike is the biggest maker of sports shoes, apparels, sports equipment and much more. Apart from its product business, the brand "Nike" is one of the biggest brands in the world owing to its excellent marketing and top of the mind brand recall.

The company was formed in the year 1964, and it has gone on to become one of the biggest companies in the world. Over the years Nike has made some big acquisitions which has strengthened its position in the global sports market. Nike has a strong focus on marketing and branding, and has several brand ambassadors across various sports. Nike has sponsored football stars like Ronaldo, Neymar and Rooney etc. Basketball star Michael Jordan has an entire line of shoes dedicated to him by Nike. In cricket too, Nike has associated itself with the Indian cricket team owing to huge popularity in India.

Revenue ($ Bn): 110.3

1.5 OBJECTIVE OF STUDY

- To trace the origin, history and growth of Sportswear Industry
- To understand the Global Sports Apparel Market
- To learn about the top companies in Sports Apparel Market
- To learn about the history and growth of NIKE, PUMA & ADIDAS
- To understand the marketing strategies used by the companies concerned for promotion and selling of their products

1.6 SCOPE OF STUDY

- This report provides a detailed study on the Sportswear industry globally
- This project will help us understand the current market status of the Sportswear companies
- This report will also help us understand that what steps are to be taken by NIKE, PUMA & ADIDAS to satisfy the their customers
- This report will make us understand various marketing strategies that are adopted by the companies concerned to increase their consumer base, with the types of products they are offering

1.7 LIMITATIONS OF STUDY

- The Sample Size used in the survey is very small. 20 is the sample size which gives only a gist about the current market scenario of sports brands.
- Time frame was very less for conducting the research plus it was a questionnaire based survey so we could not understand the true emotions of the people who were giving the survey. To understand the true emotions of the consumers we need to conduct a personal interview which was not possible because of the limited time period
- The survey was conducted in a limited area only. So we cannot understand the market outside Mumbai, which means that the people outside Mumbai might have some other expectations which cannot be seen in this survey but it is important when we consider the entire population.

1.4 COMPARATIVE STUDY OF MARKETING STRATEGIES USED BY NIKE, PUMA & ADIDAS

1.4(a) NIKE



COMPANY PROFILE

NIKE, Inc., incorporated on September 8, 1969, is engaged in the design, development, marketing and selling of athletic footwear, apparel, equipment, accessories and services. The Company's operating segments include North America, Western Europe, Central & Eastern Europe, Greater China, Japan and Emerging Markets. The Company's portfolio brands include the NIKE Brand, Jordan Brand, Hurley and Converse. The Company sells its products to retail accounts, through its retail stores and Internet Websites, and through a mix of independent distributors and licensees across the world. The Company's products are manufactured by independent contractors.

As of May 31, 2016, the Company focused its NIKE brand product offerings in nine categories: Running, NIKE Basketball, the Jordan Brand, Football (Soccer), Men's Training, Women's Training, Action Sports, Sportswear (its sports-inspired lifestyle products) and Golf. Men's Training includes its baseball and American football product offerings. The Company also markets products designed for kids, as well as for other athletic and recreational uses, such as cricket, lacrosse, tennis, volleyball, wrestling, walking and outdoor activities. The Company's athletic footwear products are designed primarily for specific athletic use. Its products are also worn for casual or leisure purposes. The Company also sells sports apparel. The Company also markets apparel with licensed college and professional team and league logos.

The Company sells a range of performance equipment and accessories under the NIKE Brand name, including bags, socks, sport balls, eyewear, timepieces, digital devices, bats, gloves, protective equipment, golf clubs and other equipment designed for sports activities. The Company also sells a range of plastic products to other manufacturers through its subsidiary, NIKE IHM, Inc. NIKE IHM, Inc. manufactures Air-Sole cushioning components at the Company-owned facilities located near Beaverton, Oregon and in St. Charles, Missouri. The Company's Jordan Brand designs, distributes and licenses athletic and casual footwear, apparel and accessories focused on basketball using the Jumpman trademark. The Company's Hurley brand designs and distributes a range of action sports and youth lifestyle apparel and accessories under the Hurley trademark. The Company's brand, Converse, designs, distributes and licenses casual sneakers, apparel and accessories under the Converse, Chuck Taylor, All Star, One Star, Star Chevron and Jack Purcell trademarks. Converse Direct to Consumer operations include e-commerce business.

MARKETING MIX

Nike is one of the pioneers in marketing and the marketing mix of Nike is one of the strongest. Depending mainly on pull strategy, it has established its hold in face of major competitors like Adidas and Puma.

Product in the Marketing mix of Nike

Nike offers a wide range of shoe, apparel and equipment products, all of which are currently its top-selling product categories. Nike started selling sports apparel, athletic bags and accessory items in 1979. Their brand Cole Haan carries a line of dress and casual footwear and accessories for men, women and children.

They also market head gear under the brand name Sports Specialties, through NikeTeam manufactures and distributes ice skates, skate blades, in-roller skates, protective gear, hockey sticks and hockey jerseys and accessories.

Price in the Marketing mix of Nike

Nike's pricing is designed to be competitive to the other fashion Shoe retailer. The pricing is based on the basis of premium segment as target customers. Nike as a brand commands high premiums. Nike's pricing strategy makes use of vertical integration in pricing wherein they own participants at differing channel levels or take part in more than one channel level operations. This can control costs and influence product pricing.

Place in the Marketing mix of Nike

Nike shoes are carried by multi-brand stores and the exclusive Nike stores across the globe. Nike sells its product to about 20,000 retail accounts in the U.S. and in almost 200 countries around the world. In the international markets, Nike sells its products through independent distributors, licensees and subsidiaries. The company has production facilities in Asia and customer service and other operational units worldwide

Promotions in the Marketing mix of Nike

Promotion is largely dependent on finding accessible store locations. It also avails of targeted advertising in the newspaper and creating strategic alliances. Nike has a number of famous athletes that serve as brand ambassadors such as the Brazilian Soccer Team (especially Ronaldo, Renaldo, and Roberto Carlos), Lebron James and Jermane O'Neal for basketball, Lance Armstrong for cycling, and Tiger Woods for Golf.

Nike also sponsors events such as Hoop It Up and The Golden West Invitational. Nike's brand image, the Nike name and the trademark swoosh; make it one of the most recognizable brands in the world. Nike's brand power is one reason for its high revenues. Nike's quality products, loyal customer base and its great marketing techniques all contribute to make the shoe empire a huge success.

SWOT ANALYSIS

The SWOT of Nike discusses the strengths, weaknesses, opportunities and threats of the leading footwear brand – Nike. Nike is one of the top three players in the world for sports shoes.

Strengths in the SWOT analysis of Nike

- Nike is the world's no. 1 shoemaker. It designs and sells shoes for a variety of sports including baseball, golf, cheerleading, volleyball, tennis and football.
- Nike uses a "Make to Stock" customer order which provides a fast service to customers from available stock.
- Nike operates Nike Town shoe and sportswear stores, Nike factory outlets and Nike Women shops. Nike sells its products throughout US and in more than 180 countries.
- Nike is strong at research and development, as is evidenced by its evolving and innovative product range. They then manufacture wherever they can produce high quality product at the lowest possible price.
- Nike is a global brand. It is the number one sports brand in the World. Its famous 'Swoosh' is instantly recognizable, and Phil Knight (Founder and CEO) even has it tattooed on his ankle.

Weaknesses in the SWOT analysis of Nike

- The income of the business is still heavily dependent upon its share of the footwear market. This may leave it vulnerable if for any reason its market share erodes.
- The retail sector is very price sensitive. However, most of its income is derived from selling into retailers. Retailers tend to offer a very similar experience to the consumer. So margins tend to get squeezed as retailers try to pass some of the low price competition pressure onto Nike.

Opportunities in the SWOT analysis of Nike

- Product development offers Nike many opportunities. The brand is fiercely defended by its owners whom truly believe that Nike is not a fashion brand however consumers that wear Nike product do not always buy it to participate in sport. In youth culture especially, Nike is a fashion brand. This creates its own opportunities
- There is also the opportunity to develop products such as sport wear, sunglasses and jewelry. Such high value items do tend to have associated with them, high profit
- The business could also be developed internationally, building upon its strong global brand recognition. There are also global marketing events that can be utilized to support the brand such as the World Cup (soccer) and The Olympics.

Threats in the SWOT analysis of Nike

- Nike is exposed to the international nature of trade. It buys and sells in different currencies and so costs and margins are not stable over long periods of time. Such an exposure could mean that Nike may be manufacturing and/or selling at a loss. This is an issue that faces all global brands.
- The market for sports shoes and garments is very competitive. Competitors are developing alternative brands to take away Nike's market share.

MARKETING STRATEGIES

Nike uses psychographic segmentation variables to make its offerings more attractive to the target customers. It uses separate campaign or strategy to cap the market potential of the different segments.

Targeting is the important aspect of the marketing strategy, especially when a company is in different businesses. Being present in footwear, sports equipment, clothing and many others Nike uses differentiated targeting strategy.

Product and usage-based positioning are used by Nike to create the image in mind of the consumers.

Mission- "To bring inspiration and innovation to every athlete in the world"

Tagline-"*Just do it***"**

Competitive advantage

Outsourced Manufacturing Units: Nike receives footwear from more than 140 factories located in 13 countries across the globe. Outsourcing of the manufacturing helps the company in keeping its operational cost low and at the same time focus its competencies on sales and marketing activities to drive the sales.

Strong product portfolio: Nike have strong product portfolio as being present in various interrelated business segments is helping the company in retaining its customers and provide a bundled products to them. Nike has subsidiaries such as Converse, Hurley and Jordan for driving growth with the help of the different brands.

BCG Matrix

The Nike brand and its offering are Stars in the BCG matrix while Converse, Hurley and Jordan are the question mark in the BCG matrix due to their presence in the limited countries.

Distribution strategy

Nike distributes its products worldwide through different channels such as resellers, supermarkets, e-commerce sites, retailers, licensees and company-owned outlets. There are 697 Nike brand factory stores, 106 inline stores and 99 converse stores and 29 Hurley stores globally.

Brand equity

Nike is the well-known brand globally and its association with the various sports events such as Cricket world cup, FIFA cup, Olympics and many others has helped the company in creating high TOMA (top of mind awareness) and brand pull.

Competitive analysis

The apparel**,** athletic footwear and sports equipment industry are highly competitive due to the presence of a large number of local and international players. Nike competes with the company like Lululemon, Puma, Adidas, V.F Corp., athletic UNIQLO and many others. The demand graph is shaped by variables such as the change in the fashion, technology, taste and preferences of the customers. Factors such as quality, performance, reliability, competitive pricing, connect with the consumer plays the critical role for the companies operating in this business. Here are the Top Nike Competitors.

Market analysis

Business segments in which Nike operates has a large number of local & national players. The major threat to Nike is the imitation that goes hand in hand in various markets which are affecting its revenues and businesses. Also, Nike is in the industry which is by and large affected by the product life cycle which means that sometimes it's very difficult for the company to respond to the fad timely.

Customer analysis

Customers of Nike ranges from individual customers to companies. Nike targets customers from different age groups and middle / upper-middle or upper-income social groups.

BRAND STRATEGY

Look deep inside Nike's brand strategy and you'll find the classic story of the hero's journey. But Nike puts a devious twist on their brand story by turning the customer into both the ***hero*** and the ***villain***.

Nike uses both self-loathing and determination to build customer loyalty. Nike advertising is one of the most effective emotional branding examples in the marketing world today. Their customer loyalty is off the charts, all thanks to the Nike brand strategy and masterful application of emotional branding.

Nike Advertising and Emotional Branding

Nike brand strategy is to build a powerful brand – so powerful that it inspires fervent customer loyalty from people literally all over the world. This is because Nike advertising uses the emotional branding technique of archetypes in its advertising – more specifically, the story of the hero. It's an age old tale, a tale of a hero pitted against a great foe, and after a great struggle, emerging triumphant. In a way, you could say that Nikes marketing strategy is thousands of years old, and has been inspiring customer loyalty the entire time.

Building Customer Loyalty with Heroism

Nike advertising isn't the only group that uses the hero archetype to inspire customer loyalty. Many other companies use this emotional branding technique to great effect. In most cases, the foe is external. The most common story of the hero is that of a man of humble origins setting out to defeat a great evil – one far more powerful than he – and, against all odds, emerging triumphant. This same pattern could apply to, say, a home security system against a house fire, or an antacid against heartburn. As long as there is a clearly identified enemy and a clearly identified hero, the emotional branding can begin.

Nike Brand Strategy

Nike advertising takes the common hero story and turns it on its head. Instead of inspiring customer loyalty by singling out an external enemy, it pulls out the stops and focuses on an internal foe – our laziness. Nike advertising knows just how often we battle with our lazy side. Every morning when that alarm goes off and it's still totally dark outside, the battle begins. When we choose how long to run, the battle continues. This is how Nike marketing uses emotional marketing to inspire customer loyalty. They know that while some people may identify with an external foe, all people identify with an internal one.

Nike brand strategy is excellent on this end because not only is the internal foe someone we can all hate, the hero is the viewer. In one way or another, we are all the hero of our own story, and Nike marketing has long since identified that feeling – and used it to inspire timeless customer loyalty.

1.4(b) ADIDAS



COMPANY PROFILE

Adidas AG and its subsidiaries design, develop, produce and market a range of athletic and sports lifestyle products. The Company's segments include Western Europe; North America; Greater China; Russia/CIS; Latin America; Japan; Middle East, South Korea, Southeast Asia/Pacific; TaylorMade-adidas Golf; Runtastic and Other centrally managed business. Each market includes wholesale, retail and e-commerce business activities relating to the distribution and sale of products of the Adidas and Reebok brands to retail customers and end consumers. The Company has over 2,800 own-retail stores, over 12,000 mono-branded franchise stores, over 120,000 wholesale doors and over 50 e-commerce sites. Adidas and Reebok branded products include footwear, apparel and hardware, such as bags and balls.

MARKETING MIX

One of the top brands in the sports and footwear market, Adidas has seen its share of ups and downs. The company started in 1936 and is one of the oldest footwear brands of the world. However, even though the company has old origins, its heart is young. Adidas faced stiff

competition in the 1980s from Nike but soon overcame the competition by targeting youngsters as well as sports oriented people.

Products in the marketing mix of Adidas

The Adidas group has 4 main subsidiaries. The first is its own brand name – Adidas, which is present in clothes as well as footwear. The second is Reebok which has overtaken Adidas and is one of the leading subsidiaries in the Adidas group. The 3rd is Rockpot which specializes in outdoor footwear, apparel's and accessories and 4th is Taylor made which is focused on golfing clothes, equipment etc. Out of all the above subsidiary's, Reebok is the strongest followed by Adidas.

Adidas has various products. The major product of Adidas is off course their footwear. Coming in various design and style, Adidas footwear is robust and athletic. The secondary product of Adidas is apparel's and accessories. Apparel's like T-Shirts, jackets, sweatshirts, shorts etc are in great demand. Where Reebok is stronger in footwear, Adidas is stronger in apparel's.

The aim of Adidas is to give the best footwear to their customers which has the combination of technology and design. These products are not need based. In fact, the shoes are bought by customers to satisfy their wants and desires. Similarly, the apparel's are targeted towards comfort during heavy activity. However, although the main target is sports, the apparel's are frequently used as a style statement by youngsters.

Pricing in the marketing mix of Adidas

Adidas, because of its style, design and promotions uses skimming prices as well as competitive pricing. For run of the mill products, Adidas uses pricing keeping in mind competitors like Nike, Reebok and Puma. But for products which are newly introduced in the market and are uniquely designed, Adidas uses skimming price.

Apparel's of Adidas constantly use skimming price and are higher priced due to brand equity of Adidas in the apparel's market. The target customer for Adidas is the upper middle class as well as high end customers. Adidas never uses pricing because that will affect the brand equity of

Adidas. In fact, the higher price point helps in the price quality approach and psychologically, customers think that a higher price will mean better quality as well. Thus, Adidas rarely drops its prices.

Place in the marketing mix of Adidas

The major way in which Adidas is sold is through retail outlets. Adidas has its own exclusive stores in which the material is provided directly from the company. On the other hand, many multi brand showrooms will also have Adidas apparel's and footwear on display. These multi brand showrooms get the products from a distributor. The third and last mode of distribution is online. The products are sold through online medium via fashion stores lie myntra.com as well as the online website of Adidas. Thus the distribution channel of Adidas is as follows

1) Manufacturing > Adidas outlets > End customer
2) Manufacturing > Distributor > Multi brand showrooms
3) Manufacturing > Online fashion websites / Adidas website > End customer

Due to the excellent brand equity of Adidas, the operating margins are fairly high thereby keeping the distribution channel motivated. A happy channel means better promotion for the company.

Promotions in the marketing mix of Adidas

Adidas markets through various marketing vehicles but the majority of marketing is concentrated on television and product placements. The creative team of Adidas is known to pump adrenaline in their customers through ads which are well made, very creative and filled with energy. These ads attract the customers towards the brand by sending the right marketing message to the customer.

The tagline of Adidas "Impossible is nothing" is in itself a very powerful statement for the brand.

After television, product placement is the second line of promotion for Adidas. The popularity of the brand is because it ties up with the top players across the world such as Lionel Messi, Ronaldinho, Sachin Tendulkar and various others.

At the same time, Adidas also sponsors teams and some of the top teams include Real Madrid, France, Great Britain (in football), England and South Africa (in cricket) and several others.

Below the line marketing of Adidas includes some very creative outdoor campaigns as well as events marketing. Sales promotions and trade promotions are also regularly offered by Adidas to their channel partners to promote the sales of the brand. This concludes the marketing mix of Adidas.

SWOT ANALYSIS

Adidas is one of the strongest sports brand in the world. Known most prominently for its range of Shoes, the brand is also a manufacturer for clothing and accessories. Here is the SWOT analysis of Adidas.

Strengths in the SWOT analysis of Adidas

- With decades of heritage & legacy, Adidas has travelled a long way to establish itself as a youthful brand. The brand was started in 1949 and has travelled a long way since then.
- Company has multiple product portfolios with varied range of footwear & accessories under brand name Adidas (premium segment) & Reebok (mid-range).
- With its 2400 store globally accounting $4.3billions, the company is in strong financial position.
- By selling it from online stores to company owned stores to supermarket stores, Adidas has an effective distribution system for their products available through different channels.
- Celebrity endorsements & sponsoring major sports organizations such as FIFA, UEFA, NBA & Olympics has increased the awareness of Adidas in the market & hence it has increased the highly targeted customer base as well.
- Strong relationship within the sustainability area with organizations such as International Labor organization, International Finance Corporation has given the company an edge over competitors so that they can have a sustainable business.

Weakness in the SWOT analysis of Adidas

- High price range due to innovative technology & Production methods have made the brand affordable to limited customers only, especially in developing countries.
- Adidas has 93% of production outsourced to 3rd party manufacturers (largely to Asia) to avail of low labor cost & easy availability of resources. They are running a risk of over dependency on outsourcing especially in Asian markets. Also, the overall quality of products perceived by the consumers of developed economies is a major concern as far as brand is concerned.
- Adidas along with the recently acquired Reebok brands, has got only 2 brands under their group although they have got deep assortments within these brands. Thus, there is more scope for product line expansion.

Opportunities in the SWOT analysis of Adidas

- With the saturation of developed economies, changing taste & preferences, education & changing lifestyle of developing economies, there is a steep rise in the demand of premium goods & services.
- Entering into new markets will be the only way to succeed in the future because developed economies are already having high competition.
- Expanding its product line will open a new set of opportunities while at the same time it can differentiate itself from the competitors by following this strategy.
- If we only consider the Indian market then there is a growth rate of 33% in demand of premium products. This tells us the future business opportunity & expanding market size of developing economies.
- This will be smart strategy if followed by Adidas as it will help Adidas to secure their patent rights & also integrate their R&D with the operational team in order to work in open system.

Threats in the SWOT analysis of Adidas

- Although Adidas is a global brand but it is facing fierce competition from other brands like Nike which is No.1 brand and Adidas being in 2nd Position in this premium segment. Besides this, there is regular competition from local players, substitutes and market penetrators.

- Due to majority of its production being outsourced; Suppliers have more bargaining power then the company.
- With its 35% products manufactured in China & 93% of production happening in Asia, Import regulations, duty & tariffs plays a critical role in the pricing and success of the company.

MARKETING STRATEGIES

Adidas employs more than 53,731 people in over 160 countries produce more than 660 million product units every year and generate sales of € 14.5 billion. These numbers alone can easily suggest that Adidas Group is quite a complex organization. True. But they keep things simple, lean and fast.

Biggest sportswear manufacturer of Europe & one of the biggest in the world**,** Adidas is segmented based on demographic, psychographic & behavioral factors. The Adidas group has four brands in its strong portfolio – Reebok, Adidas, Rockport and Taylor Made are meant for different segment customer groups.

Adidas uses differentiated targeting strategy to target young adults, adults as well as children who have passion for fitness & sports. Although it targets customers in the age group of 13-40 years but majority of its customers are of 15-30 years of age who hail from upper middle class or the luxury class of customers.

User & benefit based positioning are the strategies Adidas uses to create distinctive image in the mind of the prospective consumer. By emphasizing the value of quality products from a trusted brand Adidas is able to maintain its brand essence. The portfolio is divided as follows.

- They have Adidas-performance in Competitive sports,
- Reebok & Reebok classics in Active sports & casual sports, &
- Adidas originals, Adidas Fun, Rockport in Sports fashion.

Mission- "The **Adidas** Group strives to be the global leader in the sporting goods industry with brands built on a passion for sports and a sporting lifestyle. We are committed to continuously strengthening our brands and products to improve our competitive position".

Tagline – "Impossible is Nothing". This is one of the most famous tagline by the company. This tagline, which showcases the importance of fitness and importance of striving hard for anything you desire, is one of the biggest asset the company has, and possibly summarizes the marketing strategy of Adidas.

Competitive advantage

One of the few competitive advantages that Adidas has is its distribution network, its product quality and its brand equity. Globally it has 2400 stores accounting $4.3 billion business (2014 data). In order to associate itself with the community it has sponsored many world sport events such as FIFA, UEFA, NBA, Cricket and Olympics. At the same time, over the years Adidas has been known to give the best products in the market which are always comfortable, beyond normal and long lasting.

Strong relationship with the organizations such as International Labor organization, International Finance Corporation has given the company edge over competitors for a sustainable business.

BCG Matrix

Adidas has four brands under the Adidas group out of which:

Adidas & Reebok are stars; both of these individual brands have a strong market share but at the same time the competition in this sports and fitness segment is very high. Other brands like Puma, Nike also fight for a large share of the market.

Rockport & Taylor Made is question mark – This is because their market share is low but at the same time there is a good potential for these brands. But when this potential will actually benefit the company in a large way is yet to be seen.

Distribution strategy

As the consumer environment becomes even more dynamic with trends quickly changing, Adidas is also increasing its focus on anticipating these changes and responding with speed. They had aligned their sales with distribution strategy to enable and propel a heightened consumer-centric Omni-channel mind-set.

After analyzing the purchase process of their customers, they came to conclusion that the interactive experience and the availability, convenience and the size of the product offerings plays a major role in a successful distribution strategy. In order to expand their distribution system they made the products available through Exclusive stores (franchise model), Co-branded stores who source it from C & N and distributors.

Brand equity

Sports centric activities predominantly revolving around social media & community connect programs has helped Adidas to be one of the biggest players in the sportswear. Each brand and sub-brand is responsible for bringing its own distinct identity and positioning to life, through the creation of products, services and experiences that provide platforms and frameworks for long-term market share and profitability improvements.

While Adidas and Reebok each have unique identities, heritages, technologies, designs and reputations, the strategic principles and methods for driving future sales growth and profitability improvements are common to both.

Competitive analysis

Adidas Group's multi-brand portfolio gives them an important competitive advantage. Through their brand portfolio, they seamlessly cover the sports and consumer segments defined as strategically important to support their Group's ambition to inspire and engage people to harness the power of sport in their lives.

Adidas is doing well because of its differentiated positioning but Reebok, the brand Adidas has spent years trying to firm up, but its situation is faltering.

Large firms such as Nike & Adidas have grown immensely over the last two decades. Their global reach has expanded through all continents, which is attributed to the changing lifestyle of developing economies & emergence of Internet, commerce firms.

Market analysis

Due to the presence of counterfeit products & high bargaining power of customers it is very difficult for these players to sustain in the market. Although the offerings are meant for sports persons but major chunk of its buyers are normal people professionals, young children who don't mind switching to other brands due to the changing competitive positioning worked upon by the players.

Industry is growing due to changing lifestyle, economics of the population and migration from rural to urban areas but at the same time demand supply mismatch & idle inventory is resulting into shrinking margins of the players in this industry.

Customer analysis

Adidas customers consist of upper & upper-middle class social groups. To be successful across consumer segments, Adidas acknowledged that a strategy of mass production or mass marketing is no longer sufficient.

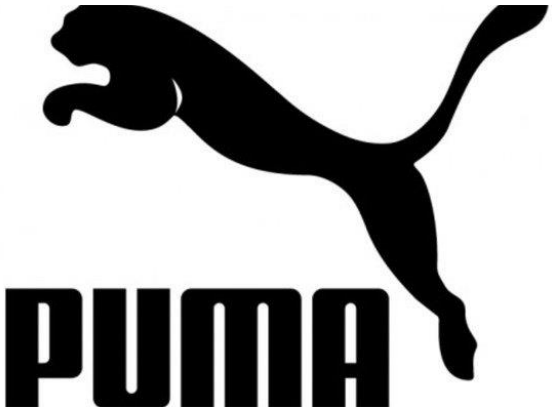
Only by identifying and understanding consumer's individual motivations and goals for doing sport, their lifestyle, their fitness level, where they are doing sport and their buying habits will help them in creating meaningful products, services and experiences that build a lasting impression and brand loyalty.

BRAND STRATEGY

Adidas is a sports brand and by saying a sports brand, it means a brand which believes in the emotion of sports and the power of sports to change lives. The mission of Adidas is to be the best sports brand in the world. This mission is anchored in its core belief that through sports, big changes can be brought about. Sports can make things possible around the world and Adidas' mission is to help athletes at all levels make a difference. Its target market is mainly the youth. However, it connects with every person whose heart is with sports. Several of its products are popular across all the age groups. In the recent years, it has brought some major changes to its strategy. Still, everything that it does has the customer at its core. The brand is trying to create a difference and the new strategic changes could mean a major step in the direction of developing a financially successful and sustainable brand.

Its slogans also reflect the same energy. Unleash your creativity, Find Focus, Claim Freedom, Live without limits; these all are the themes of its promotional campaigns and slogans meant to energize and motivate athletes and sportsmen. Most of its ads and promotional campaigns are based on themes of energy, motion and acceleration. It made an entire series of videos with famous Argentinian footballer Lionel Messi called Backed by Messi where Messi and other players shared their experiences. Messi also promotes its Nemeziz 17 boots meant to bring agility and control to the game. The idea is that Nemeziz 17 makes it possible for you to bring agility and master control in the game. In this way, Adidas promises to infuse energy in the game with its products. However, its list of ambassadors is not limited to just sports personalities. Selena Gomez joined the list in 2013 as a global style icon through a partnership with the Adidas neo label

1.4(c) PUMA



COMPANY PROFILE

PUMA SE is engaged in designing, developing, selling and marketing footwear, apparel and accessories. The Company's segments include Europe, Middle East and Africa (EMEA), Americas (North and Latin America) and Asia/Pacific. The Company offers performance, as well as sport style products across six business units: Team sport, Running and Training, Golf, Motorsport, Fundamentals and Sport style, and Accessories and Licensing. The Company is engaged in the sale of products from the PUMA and COBRA Golf brands through the wholesale and retail trade, as well as from sales directly to consumers in its own retail stores and online stores. The Company markets and distributes its products across the world primarily through its own subsidiaries. The Company distributes its products in approximately 120 countries. For various product segments, such as fragrances, eyewear and watches, the Company issues licenses authorizing independent partners to design, develop and sell these products.

MARKETING MIX

Puma as a brand is committed to contribute to the sports world by supporting sustainability, peace and creativity. And staying true to its values has made the company a global force. However, this is not the only reason why the company has recorded such a huge success. Its excellent marketing strategy has seen to it that it continues to be a global leader in athletic shoe making. Apart from shoes it has also forayed into manufacturing of sports gear, watches and other accessories.

Product in the marketing mix of Puma

Puma has a wide range of footwear, sports goods, and sportswear and fashion accessories. Puma is also the main producer of enthusiast driving shoes and race suits. As matter of fact, the company is the sole produce of NASCAR and Formula 1. In addition to that, the company has partnership with BMW and Ferrari.

Through its collaboration with renowned designers such as Alexander McQueen, Rossi and Yasuhiro Milharaand, Puma has established itself as a reliable brand that can be depended upon to offer quality products. Specifically, the company produces the following products

- Sports shoes
- Custom made shoes
- Apparels
- Fancy shoes
- T shirts
- Tracks
- Boxers accessories
- Gloves
- Helmets
- Water bottles

Puma uses national brand ambassadors to promote its product line. Product diversification strategies include production of gymnasium equipment, trekking equipment and Nutrition and Fitness consultancy. Product diversification strategy is designed to make the company more profitable and attract a diversified customer base.

Promotion in the marketing mix of Puma

The company's advertisement strategy in India focuses more on revenue generation from cricketing equipment and sponsoring Ranji trophy. But the company also spends a lot of money

advertising in print media and designing creative billboards. Also, there is a greater focus on football gear revenue.

Other advertising strategies include the following

- Television commercials
- Online customization options
- Excellent apparel packaging
- Engaging in corporate social responsibility like environmental pollution control

Sales promotion is also another marketing strategy employed by Puma and this comprises of various short-term incentives that encourage more purchases and trials of the products.

The following celebrities have endorsed puma as a brand

- Badminton- Saina Nehwal
- Tennis Gears- Somdev Devramman
- Cricket Equipment- Gautam Gambhir
- Health Academy- Shilpa Shetty

Puma is also playing its public relations game well. For instance, the company sponsors trophies in order to promote and protect its image.

Place in the marketing mix of Puma

Puma shoes are mostly distributed to multibrand storefronts as well as the exclusive Puma stores that can be found in major cities in the world. This necessitates a wider selection of shoes and accessories to customers than the competition. With big distribution network coupled with harnessing resources and experience, it is a brand available almost everywhere.

Also, Puma is continuously focusing on retail expansion as can be seen with its aggressive opening of new stores in various countries throughout the world. This is not only meant to bring the

products closer to the consumer but also drive its brand and generate profits. As a matter of fact, Puma has vowed to continue to expand its consumer base and full integrate its retail stores online.

Pricing in the marketing mix of Puma

Puma's product prices are affordable when compared to higher priced competitors like Reebok and Adidas. The pricing strategy employed is designed to offer competition to its rival companies. Moreover, Puma normally uses pricing strategy because Puma views its brand as premium. Thus, Puma will be higher priced when compared to a competitor like Bata. Adidas and Reebok are the only closest competitors for Puma, pricing of whom is comparatively higher than Puma. Due to the brand name it enjoys, the pricing of Puma products look convincing most of the times.

SWOT ANALYSIS

Puma operates from Germany and was started due to a split between brothers. One brother started the company Adidas, whereas the other started Puma. Till date, both companies are the leaders in the sports footwear industry.

Strengths in the SWOT Analysis of Puma:

- Puma has been witnessing high growth rate. Puma achieved 12.8% increase in sales in the second quarter of 2016. Puma had witnessed a revenue of €3.39 billion in 2015 which increased from €2.97 billion in 2014. This shows a growth rate of 14.14%. This shows healthy growth rate and now they have been focusing on expanding aggressively which might result in higher growth in the coming year.

- Puma spends heavily in promoting its brand throughout the world via sponsorship. Over the period of time, it has had the pleasure of many legends added to its list. These include the likes of Pelé, Eusébio, Johan Cruyff, Diego Maradona, Clyde Frazier, etc. The current list has international footballers Sergio Agüero, Antoine Griezmann, Marco Verratti, Yaya Touré, Olivier Giroud, Gianluigi Buffon and Marco Reus. It also sponsors the athletic

track champion Usain Bolt. Puma was also one of the official sponsors of FIFA football World Cup of 2014.

- PUMA sponsors Arsenal FC, Mamelodi Sundowns and Borussia Dortmund, National football teams of Italy, Switzerland, Austria, Ivory Coast, Ghana and Uruguay and Olympic Handball Champion Denmark. In Track & Field, PUMA sponsors the Jamaican, Cuban, and Barbados Athletic Associations. In order to support its women's business, PUMA endorses fashion icons Rihanna and Kylie Jenner. This shows a few of its rich variety of clientele that it boasts off.

- Puma brand is very innovative and has a very rich Research and Development team. We know that footballers mostly use screws in their boots for better friction while running. These screw boots were first launched by Puma and they received great acceptance in the football world.

- PUMA distributes its products in more than 120 countries and employs around 11,000 people worldwide. Its mission is: "To be the Fastest Sports Brand in the world". In 2015, Puma came out with a retail concept "PUMA Lab", initially launched with Foot Locker in 2014, both in the U.S. and in the first location in Europe. During the year they began collaborating with other well-known retailers with the aim of improving the presence of the PUMA brand in their stores, better communicating their product promise on site, and thereby achieving a sustained sales increase.

- They're currently focusing on the women's side as they believe that the female is the future. PUMA is a pioneer in this segment and they have set standards for years with the success of their models and collaborations with designers. And they are now strengthening their strategic focus on the female target group. A key element of this strategy is the partnership they have developed jointly with the international star Rihanna as a brand ambassador and creative director. They introduced the first shoe styles inspired by Rihanna. The Creeper is Rihanna's first sneaker under FENTY label. The shoe received a great deal of attention on social media and in the press and the first color options were sold out within hours.

Weaknesses in the SWOT analysis of Puma:

- This segment is very competitive and Puma is facing heavy competition from Adidas and Nike. With their high revenues and disposable incomes they have kind off created a tough entry barrier for Puma to become a big player.

- Puma had an annual revenue of €3.39 billion as of 2015. While its competitors have a much higher revenue giving them much more scope for innovation and research and development. Nike had approximately €27.3 billion revenue in 2015 and Adidas had €16.92 billion revenue in 2015. This leaves Puma with less financial aid to expand and sponsor teams and individuals compared to its direct competition. This also allows more financial stability to its competitors that can focus more on innovation and bring in new technology shifts in the sporting industry.

- Puma holds around 7% of the market share while its competitors like Nike has 31%, Adidas has 16% and Reebok has 6%. This also shows that Puma has a long way to go.

- Puma has disputes regarding wages among its workers which sometimes lead to strikes and production suffers. This needs to be solved and addressed accordingly.

Opportunities in the SWOT analysis of Puma:

- Puma can focus more on new emerging markets in Asia and look for expanding its market share significantly. They can focus on the changing patterns in these industries and cater to the masses accordingly. According to CAGR in Apparel and footwear industry, the highest growth expected is in Vietnam, Saudi Arabia, India, Colombia and then Mexico. Puma should focus on increasing their sales in these territories.

- Puma can think of moving away from the sporting the only type of company can also focus to produce apparels in the lifestyle section and make new customer market. If possible can also venture into new businesses so as to develop new competition in the other markets.

- Although Puma sponsors a lot of sporting events and backs many celebrities and sporting icons it is not enough when compared to its competitors. It needs to increase its presence, even more, to stay in the competition and gain more market share. This will come a long way in making its brand present and will result in an increase in sales and thereby increase profits.

- People's income have increased a lot compared to the last decade. They have also shown a considerable interest in trading up to buy premium goods across all the sectors. Puma can tap this opportunity and convert these potential customer base to get more sales.

Threats in the SWOT analysis of Puma:

- Changing economic conditions in the world is very nasty. The people have ended up caught up in changing times. This might hamper the Puma's decision to open new stores across the globe and might become a big hurdle in their way of expansion.

- There are a lot of people that create fraud products and copy famous brand and sale at a lower price. This hampers the original brand and results in decline in their sales. There's not much one can do to stop them from copying.

MARKETING STRATEGIES

Puma uses a mix of demographic, geographic and psychographic segmentationstrategies to understand the changing needs of the customers in the competitive market.

Targeting strategy is the cornerstone of the product development process. Puma uses differentiated targeting strategy for different products categories.

It has always positioned itself as a brand which inspires the one to move ahead in life and achieve the greatest. Puma uses value-based positioning strategy for the same.

Vision- "Become fastest sports brand in the world**"**

Tagline-"Forever Faster**"**

Competitive advantage -

Sourcing from the suppliers: In its product portfolio, 90% of its products are sourced from the Asian markets where most of its manufacturing & production plants are located. The sourcing is a big task in Puma which is handled by Big cat Ltd. company who coordinate with 190+ suppliers in more than 35 countries for sourcing & the products. The procurement is one of the most important competitive advantages Puma have.

Broad product portfolio: Puma deals in product categories such as footwear, personal care, eyewear, watches, sports accessories and clothing. Being present in interrelated product segments with a large number of offerings helps the brand in getting a high share of wallet & increase in customer basket size.

BCG Matrix in the Marketing strategy of Puma-

The Puma group owned brands Puma & Cobra golf primarily deals in the same industry products.

The footwear business of the group generated 45% of the net sales in 2015 and therefore it stars in the BCG matrix while the other products segments of the Puma i.e. apparel and accessories are a question mark in the BCG matrix due to the presence of a large number of national & international players in the market.

Distribution strategy in the Marketing strategy of Puma-

Puma & Cobra Golf brand is owned by the Puma Group. PUMA distributes its offerings through three channels of distribution: Puma exclusive retail stores owned by Puma, wholesale and e-commerce sites like Amazon, Alibaba etc. 80% of its sales in 2015 was from the Wholesale channel. It organizes many joint product and marketing programs for its major wholesale accounts.

Brand equity

Puma being in footwear, sportswear & apparel industry has always been a source of motivation and inspiration through its appeal of being a Risk taker, confident, brave, determined and joyful nature to live the life in fullest. The brand has been associated with some of the greatest sports personalities such as Usain Bolt, tiger woods' and many others.

Competitive analysis

Having operations worldwide in the footwear and clothing industry, Puma is more focused on manufacturing the products in the Asian markets due to low labor cost, the raw material cost which is helping the company in being competitively ahead.

Market analysis

The presence of counterfeit products & high bargaining power of customers/suppliers, rising labor cost, migration of population and changing lifestyle, it is becoming difficult for the players in this industry to sustain in the market.

Although in all is visibility campaigns Puma promotes their products aggressively meant for the sportsman but the major chunk of its customer base is the youth in the age group of 20-35 who will not mind switching to other brands due to the changing competitive positioning worked upon by the players.

Customer analysis

Puma customers are the middle- upper & upper-class income groups who are more focused on their self-being and want to live a healthy & have hygiene lifestyle. To attract the customers from different segments it identified the individual characteristics such as motivations, their lifestyle and their fitness level; Puma has worked on these parameters to promote its brand and make it more appealing to the end customer.

BRAND STRATEGY

"Forever Faster" means to be braver, more confident, more determined, and above all joyful. What "Forever Faster" really aims to convey is the way Usain Bolt lives his life. He could have stuck with his first 100m world record. But he smashed it in 9.63 seconds. Then trained, focused, and ran it in 9.58. Then, being Usain Bolt, he danced his way through a victory lap. We merge product innovation with standout athletes in order to change the game and become the World's Fastest Sports Brand.

The PUMA brand is grounded in four values: brave, confident, determined, and joyful. They motivate us to surpass our potential, and use our knowledge and history in sport to further establish credibility, authenticity, and an appreciation for the games we play.

BRAVE

we are unafraid to take risks.

CONFIDENT

whatever we do, we do with conviction.

DETERMINED

nothing comes between us and realizing our dreams.

JOYFUL

we live to play the game and we play with heart.

Through "Forever Faster", we bring consistency to our marketing campaigns, putting a stronger focus on product and product benefits, and often highlighting it within a story about one of our top athletes. Our roster includes the best of the best: Usain Bolt, the World's Fastest Man, in the IGNITE Disc; track and field star Jenna Prandini in PWRSHAPE training apparel; footballers Olivier Giroud in evoPOWER and Sergio Agüero in evoSPEED; and finally, Rihanna, our Women's Creative Director and design muse, in her Creeper

CHAPTER 2- LITERATURE REVIEW

The study of consumer behavior has evolved since the Information Processing Model (Bettman, 1979) assumed that the individual is logical in his/her buying process. This model was criticized because it failed to treat different consumption phenomena motivated by symbolic meanings (Holbrook and Hirschman, 1982). Individuals are not always looking for efficiency and economy, but also for distraction, aesthetic, expression, etc. (Boyd and Levy, 1963). Calling for a broadening of theoretical frameworks of consumer behavior, many authors pleaded in favor of the study of all consumption forms (Holbrook, 1986), being inspired by European semi logy and American semiotic (Levy, 1959, 1963, 1981; Hirschman, 1980; Kehret-Ward, Johnson and Louie, 1985; Mick, 1986; Holbrook, 1986; O'Shaughnessy and Holbrook, 1988; Nöth, 1988; Stern, 1988; Grafton-Small and Linstead, 1989). These are the study of signs, meanings and production of symbols. Fantasy, emotion and pleasant aspects of consumption were then tackled from an experiential point of view. The Experiential View is a phenomenological perspective that perceives consumption as a primary state of consciousness having a variety of symbolic meanings, responses and hedonist criteria (Holbrook and Hirschman, 1982; Olshavsky and Granbois, 1979). The basis of the traditional Information Processing Model is the optimization of the utility of a product under the basis of a utilitarian evaluation of its tangible characteristics. Nevertheless, it neglects emotional aspects. On the other hand, the Experiential View leaves out different factors such as economic conditions, expectations, some elements of the marketing mix (price, distribution), perceived risk and conflicts, but mostly the social influence of the consumers' reference groups (Holbrook and Hirschman, 1982; Business Central Europe, 1994) which is the aim of the Symbolic Interactionism Perspective. Acquisition, possession and consumption are activities taking place in a process of impressions creation or identity management which is, according to Belk (1978), an interactive process concerning both the image of goods consumed and that of the individuals consuming them. The Symbolic Interactionism Perspective deals with the relationship between consumers and the products they consume, and suggests that a significant proportion of consumption behaviors consist of social behaviors, and vice versa (Solomon, 1983). This leads us to consider the importance of socialization processes (family, reference groups) through which individuals learn the meanings of symbols and those of consumption. With the aforementioned meanings being negotiated and

built through interactions with others, consumption is not only an individual activity, but also a social process of goods definition (Gallant and Kleinman, 1983). Since individuals are often motivated to acquire products according to what they mean to them and to members of their social reference groups (Leigh and Gabel, 1992), their behavior is subject to the pressures of cultural norms and the expectations of socialization institutions rules such as those coming from family and other reference groups (Faber, O'Guinn and McCarthy, 1987; Engel, Blackwell and Miniard, 1993). Thus, Symbolic Interactionism Perspective considers the human spirit as fundamentally social, and dependent on shared symbols. The symbols being generated at a global level (Geertz, 1973; Solomon, 1983; McCracken, 1986, 1988; Leigh and Gabel, 1992), the Symbolic Interactionism Perspective accepts as precept the fact that society and its culture precede every individual action, and that a cultural consensus results from interactions, communication, and negotiation between social actors (Charon, 1989).

If, at a conceptual level, the consumption good becomes an instrument of communication, at an operational level, image variables may be regarded as the intangible attributes of the product that carry cultural and social meanings. According to Erickson, Johansson and Chao (1984), an image variable is defined as "some aspect of the product that is distinct from its physical characteristics but that is nevertheless identified with the product". The image variables emerge from four cognitive representations individuals have of their environment: the symbolism of advertising, the celebrity endorsement, the brand, and the country of origin of the product.

The made-in is considered by Dichter (1962) as the fifth element of the marketing mix, and is defined as the country where are located the corporate headquarters of the organization doing the marketing of the product or the brand (Johansson, Douglas and Nonaka, 1985). The country of origin carries a rhetoric that influences consumers' preconceptions towards the products of a country. Its meaning can be conceived as an indication serving as a basis of evaluation (Bilkey and Nes, 1982), when one considers a product as a bundle of information. Consequently, according to Kaynak and Cavusgil (1983), the images of a foreign country that are formed by consumers are made of cognitive, affective and behavioral components. The first one represents the perceived characteristics of the country. The second one concerns the appreciation or not of those characteristics, and the third one corresponds to the actions about the country that the consumer feels are appropriate. A tendency to evaluate positively the local production compared to imported production, and biases in favor of industrialized countries have been found in

previous studies (Bilkey and Nes, 1982; Cordell, 1992). This does not mean the consumer will not buy the product, but rather that he is not inclined to do so (Schooler, 1971). “When entering foreign markets, sellers often face quotas, tariffs, and non-tariff barriers. In addition, they may face an intangible barrier in the form of consumer bias on the basis of product origin” (Schooler, 1971). The informational value of the country of origin was also found to vary according to the level of involvement of the consumer in purchasing the product and the presence of other cues such as brand name, guarantee and price (Ahmed and d’Astous, 1993). In a recently published meta-analysis of country-of-origin effects, Peterson and Jolibert (1995) conclude that the average effect size is lower (0.19) for purchase intention, higher (0.30) for quality/reliability perceptions and context dependent. More specifically, they found that the characteristics of the study (research design, type of respondents, study cues, sample size, stimulus context etc.) influence the relative effect of country-of-origin to a lesser degree for quality/reliability perceptions than for purchase intention. However, the type of respondents (students, consumers or businesspeople) had no influence on quality/reliability perceptions.

2.1 HYPOTHESIS

- H0- Non effective marketing strategies will not help these companies to increase and retain their customer base
- H1- Effective marketing strategies will enable these companies to increase and retain their customer base

CHAPTER 3- RESEARCH METHODOLOGY

The type of research methodology used in this project is Descriptive

Descriptive Research Design: - Descriptive research used to describe characteristics of population or phenomenon being studied. It does not answer questions about how/when/why the characteristics occurred. Rather it addresses the "what" question (what are the characteristics of the population or situation being studies?). The characteristics used to describe the situation or population are usually some kind of categorical scheme also known as descriptive categories.

Descriptive research can be either quantitative or qualitative. It can involve collections of quantitative information that can be tabulated along a continuum in numerical form, such as scores on a test or number of times a person chooses to use a certain feature of a multimedia program, or it can describe categories of information such as gender or patterns of interaction when using technology in a group situation. Descriptive research involves gathering data that describes events and then organizes, tabulates, depicts, and describes the data collection (Glass & Hopkins, 1984). It often uses visual aids such as graphs and charts to aid the reader in understanding the data and distribution. Because the human mind cannot extract the full import of a large mass of raw data, descriptive statistics are very important for reducing the data to manageable form. When in-depth narrative description of small numbers of cases are involved, the research uses description as a tool to organize data into patterns that emerge during analysis. Those patterns said the mind in comprehending the qualitative study and its implications.

3.1 Sampling Techniques

I have used Convenience Sampling Method for carrying out the survey. The different types of sampling techniques are as follows: -

1. Random sampling: - There is a very large population and it is difficult to identify every member of the population. The entire process of sampling is done in a single step with each

subject selected independently of the other members of the population. The term random has a very precise meaning and you can't just collect responses on the street and have a random sample. In this technique, each member of the population has an equal chance of being selected as subject. When there are very large populations, it is often difficult to identify every member of the population and the pool of subjects becomes biased. Dialing numbers from a phone book for instance, may not be entirely random as the numbers, though random, would correspond to a localized region. A sample created by doing so might leave out many sections of the population that are significant to the study.

2. Systematic sampling: - In a systematic sample, after you decide the sample size, arrange the elements of the population in some order and select terms at regular intervals from the list. The main advantage of using systematic sampling over simple random sampling is its simplicity. Another advantage of systematic random sampling over simple random sampling is the assurance that the population will be evenly sampled. There exists a chance in simple random sampling that allows a clustered selection of subjects. This can be avoided through systematic sampling. The possible weakness of the method that may compromise the randomness of the sample is an inherent periodicity of the list. This can be avoided by randomizing the list of your population entities, as you would randomize a deck of cards for instance, before you proceed with systematic sampling.
3. Stratified sampling: - A stratified sample, in essence, tries to recreate the statistical features of the population on a smaller scale. Before sampling, the population is divided into characteristics of importance for the research this method attempts to overcome the shortcomings of random sampling by splitting the population into various distinct segments and selecting entities from each of them. This ensures that every category of the population is represented in the sample. Stratified sampling is often used when one or more of the sections in the population have a low incidence relative to the other sections. Stratified sampling is the most complex method of sampling. It lays down criteria that may be difficult to fulfill and place a heavy strain on your available resources.
4. Convenience sampling: - As the name suggests, the elements of such a sample are picked only on the basis of convenience in terms of availability, reach and accessibility. The sample is created quickly without adding any additional burden on the available resources. During preliminary research efforts. During preliminary research efforts.

5. Snowball sampling: - Just as the snowball rolls and gathers mass, the sample constructed in this way will grow in size as you move through the process of conducting a survey. In this technique, you rely on your initial respondents to refer you to the next respondents whom you may connect with for the purpose of your survey. The costs associated with this method are significantly lower, and you will end up with a sample that is very relevant to your study. The clear downside of this approach is that you may restrict yourself to only a small, largely homogenous section of the population. When you can rely on your initial respondents to refer you to the next respondents.
6. Quota sampling**: -** Quota sampling is the non-probability equivalent of stratified sampling that we discussed earlier. It starts with characterizing the population based on certain desired features and assigns a quota to each subset of the population. This process can be extended to cover several characteristics and varying degrees of complexity. When you can characterize the population based on certain desired features. Though the method is superior to convenience and snowball sampling, it does not offer the statistical insights of any of the probability methods.

3.2 Sample Size

It can be defined as number of sample chosen for research

- The sample size chosen is 20 people
- 20 people consists of people into fitness
- I have chosen them because it will be easy to understand the demands and requirements of them from the concerned brands

3.3 Data Collection

Primary data and Information Sources (internet) are used in this report.

- **Internal sources** - These refer to the sources of information within the organisation. In certain cases internal sources are indispensable without which the researcher cannot obtain desired results. Internal sources include accounting information (Trading Profit & Loss A/c and Balance Sheets of different years), salesmen's reports, statistics in relation to advertisement

expenditure, transportation costs etc. Information from internal sources is easily available and no financial burden is involved in gathering the information**.**

- **External sources** - In order to study marketing problems in detail the need of external sources of marketing research arises. External sources are of immense importance and utility in case where research needs detailed and thorough investigation. External sources data can be divided with two categories (a) Primary data (b) Secondary data.

3.4 QUESTIONNAIRE

1. From where do you buy your sportswear?

a) Online Stores

b) Outlets

2. Which brand are you using currently?

a) Nike

b) Puma

c) Adidas

3. What company do you prefer?

a) Nike

b) Puma

c) Adidas

4. What do you look for before buying?

a) Price

b) Comfort

c) Quality

5. Are you satisfied with the price range of the current product you are using?

a) Yes

b) No

6. What makes you notice a brand?

a) Advertisement

b) Offers

c) Celebrity Endorsement

7. Are you influenced by the marketing done by these companies?

a) Yes

b) No

8. What according to you is most important?

a) Price

b) Durability

c) Comfort

9. What are factors which influence you to switch to other brands?

a) Discount

b) Ads

c) Reference

CHAPTER 6- RECOMMENDATIONS

NIKE

Using the Nike brand for collaborations

Nike is in an ever-changing industry. Nike as well as its competitors needs to keep up to date with consumer taste especially in a market as volatile as the fashion industry. In recent times both Nike and Adidas have teamed up with high-end fashion brands such as Off-White, Yeezy and Raf Simons to build up their brand in those markets (Nike, 2018),(adidas-group, 2016). Nike should continue collaborating with these high-end brands as it can be an efficient way of marketing for the Nike brand. Brands have power, which can dictate a consumer, Nike is the same bracket as Google and Apple in which the brand itself can be classified as being alive. Consumers can "feel the brand as a singular, monolith entity, for example Nike, Google, Samsung etc., and in life speak of it in third person singular" (Milan, 2016). Brands play a big role in the lives of many, "brands are omnipresent in human environment and it is expected that people react and identify with them" (Milan, 2016). Nike must use its brand power/image to engage with other brands, like they have done recently.

As mentioned by Kotler and Keller, in the purchase decision, two factors can affect the process—which are the attitude and unanticipated factors (Kotler and Keller, 2009). Therefore, it is key for Nike when choosing to collaborate with other brands that they have a positive image.

New/Emerging Markets and using social media

A sport which is undermined by Nike is cricket. Cricket has over one billion fans, and although 90% are from India alone, it is a global sport. Matches between India and Pakistan can command viewing figures in the hundreds of millions. Nike and Adidas have been competing in the Chinese market—where there is huge potential but if Nike could infiltrate the Indian/Pakistan market they could potentially increase their foothold as the number one sports brand in the world. Currently Adidas are the number 1 sports brand in India (Adidas-group, 2018). India is an emerging economy and is tipped to be one of the biggest by 2050 (Hawksworth and Audino, 2017). Therefore, Nike must make the most of the opportunities it has.

India also has the “Indian Premier League” which commands higher average attendances than Spanish’s La Liga Football (TOTAL SPORTEK, 2016). With around over 100 million online consumers in India (Statista, 2017), Nike should focus its attention on social media, consumers like to engage with their brands and can be pivotal in the decision-making process. Nike has an excellent marketing strategy in place and are the pioneers for their sector, every year they release new ideas and at the time of writing this report, Nike opened a new concept store in Los Angeles. The new store utilises the Nike app and makes judgements on the consumer behaviour in the local area using algorithms from the app.

PUMA

Focus on the brand's DNA and heritage

In Puma's case this is performance and its sporting roots in soccer and athletics – fashion must come after sports. Finally the company has realized and developed a new mission statement some weeks ago: “Forever Faster“. The statement and a new tag line will be launched to consumers in 2014. (Remember its old one: “Puma has the long-term mission of becoming the most desirable and sustainable sports lifestyle company. “)

Build on the brand's biggest and most promising category and strive for category leadership

For Puma this is footwear. Precisely the running sub-category. With Usain Bolt as brand ambassador this should be a clear objective and a non-negotiable one.

Heavily invest in innovation and in parallel cut Opex

Technological-driven innovations in its core categories (running and athletics) must drive growth and margins. Sports should serve the fashion-side of the business, not vice versa.

Focus on a few selected marketing campaigns and make them as big and as exciting as possible

Fiercely promote existing brand ambassadors and at the same time get new top ambassadors (the new Arsenal London deal will not be sufficient) to build brand recognition.

Maintain transparent and trustworthy relationships with main stakeholders

Re-build trust with key retail partners, with employees and with French parent company Kering (which owns 84 percent of Puma).

Strengthen the distribution network

Gain back lost share of space and share of mind at key retailers. Establish a holistic multi-channel distribution strategy with a key emphasis on e-commerce (both on its own site and on key e-retailers´ platforms).

Manage expectations

Bringing Puma back on track will require a comprehensive turnaround and change management program. Something which can take anything between 12 to 24 months until the first significant benefits might appear. Senior management would be well advised to pro-actively explain that to all stakeholders.

Do your financial homework and clean up the balance sheet

Quickly execute one-off charges and write-offs which are typical in crisis situations. Future financial results will look more encouraging and will help to stress that the company is on the right path. It is expected that Puma will book approximately €130 million once-off charges in the fourth quarter of 2013, mainly for the closure of a development center in Vietnam and for relocating staff from London to Germany.

ADIDAS

Development of Innovative and Smart Shoes:

Now despite all other marketing strategies Adidas used, now it should focusing more on the Technology. Recently they can develop an innovative plan of developing more Smart Shoes for their customers. These shoes will bring about a revolution in the field of athletics because of their increased performance and reliability. By developing the innovative shoes will build a strong brand association among people and Adidas because this will make people think that Adidas is serious

about improving their athletic performance by bringing in more innovation and technology in its products.

The basic purpose of this proposed strategy would be “they want to position brand Adidas as an innovation leader in the minds of target customers because of the quality conscious behavior of the customers”. This use of technology and innovation will help them to differentiate their product from their benchmark competitor and world no 1 “NIKE”.

Repositioning Reebok:

The main reason behind acquiring Reebok was the competition with the Nike. Reebok brand has both kind of products i.e. normal use and athletic. In order to gain a competitive advantage, Adidas is planning to reposition Reebok as a fashionable brand for both professionals and normal users. The Adidas need to Target Adidas as a premium brand because of the quality conscious behavior of the customers. It would not be a difficult task before Reebok has its own tradition of providing valuable and fashionable goods to its target customers.

Targeting the Untapped Market:

A larger portion of Asia and Africa is untapped and there is no such company operating like Adidas and Nike. Adidas has already won the race against Nike in India, Japan and China. Now they can develop a strategic partnership among the local companies to increase their market share and to be more successful in the market. For Example, in China Adidas can develop a strategic partnership with Li Ning and it can easily beat Nike with this partnership. Moreover by sponsoring local sports events in untapped markets it can develop a brand association with the target customers and can bring more customers in the market. Adidas can also drive the untapped market consumers to a low price perception and can develop a new market segment to make its products compete against Nike.

CHAPTER 6- CONCLUSION

It is concluded that Nike is the best brand in the category of shoes, apparels and all sports accessories and it just needs to focus on the public relation and social responsibility to remain the world's best brand. All the marketing Mix elements like product, people, place, price, promotion, partnerships, physical evidence and process should be kept in mind while promoting the products. Nike need to focus more to attract new customers and should put some efforts to reduce the cost of the products.

The idea that Adidas is tailored for the active, trendy and comfortable lifestyle of both teenagers and adults are conclusive. Just like their competitor, Nike, Adidas provides excellent satisfactions to consumers up to a certain extent because there are still some who would choose Nike over Adidas. Adidas now with the purchase of Reebok, has a larger consumer base and this in turn, will definitely increase profits for the company. In terms of price, Adidas shoes are not too much of a luxury product as some purchased it before would repeat the decision to purchase again. Even with small discounts offered. Competition is stiff in the sport shoe industry as many major companies are actively producing new shoes that are meeting consumer satisfactions. Adidas is also very vigilant and is actively improving itself to improve its products and satisfy the consumers.

Puma had a very poor brand image that show a decline in its market share and prompted puma to change it strategic decisions to improve on its image, this process of change was led by Jochen Zeitz Puma CEO based on phases one to four of strategic plan to change PUMA's image so that it can compete favorable in the marketplace and within a couple of years Jochen Zeitz had change puma's brand image into one of the most desirable and sought after brand of sportswear and footwear worn both buy celebrities and fashion followers all over the word.